

CHAPTER THREE – PERSONNEL POLICIES

SUBCHAPTER 3.05 – BENEFITS

3.05.010 Eligibility

(a) *Annuitant.* "Annuitant" means a person of retirement age, who has had at least five years of service credit, who has retired within 120 days of separating from Town service, and who is receiving a retirement allowance under a contract between the Town and CalPERS, or a surviving family member, as defined by CalPERS, who is receiving the retirement allowance in place of the deceased member.

(b) *Employees and Dependents.* Eligibility of employees and dependents are prescribed by the governing contract between the Town of Colma and the insurance provider and the provisions of this Subchapter.

(c) *Employees Not Eligible.*

- (1) Temporary and casual employees are not eligible for the benefits described in this Subchapter except where required by federal and state law, by a contract with the employee, or as expressly provided in this Subchapter.
- (2) An eligible employee who works less than his or her normally scheduled hours or who is on a unpaid leave of absence will be responsible for paying a pro-rata share of the Town's contribution toward his or her benefits, except where required by federal and state law, by a contract with the employee, or as expressly provided in this Subchapter.
- (3) Individual insurance providers may exclude otherwise eligible employees from eligibility.

(d) *Retired Employees.* A retired employee is entitled to paid medical, hospital and dental benefits only if he or she qualifies as an Annuitant.

(e) *Elected Officials.* Elected officials are eligible for all benefits provided to non-safety employees except as prohibited or limited by law.

(f) *Retired Elected Officials.*

- (1) A retired elected official is entitled to paid medical and hospital benefits only if he or she qualifies as an Annuitant.
- (2) A retired elected official who was first elected to office before January 1, 1995 may be entitled to dental benefits. Each case must be examined to determine if all statutory requirements have been met.

(g) *Registered Domestic Partner.* A Registered Domestic Partner is entitled to all benefits that are granted to a spouse, e.g., medical, dental and disability insurance, pension, and death benefits for surviving spouses.

[Reference: GOV'T CODE §§ 53201, 22754, 22760, 22775]

3.05.020 Regulations

The City Manager may establish reasonable rules and procedures for implementing this Subchapter, including cutoff dates by which an employee shall make an election for participating in any benefit plan.

3.05.030 Medical and Hospital Insurance

(a) Medical and hospital care benefits are provided to eligible employees under the provisions of the California Public Employees Medical and Hospital Care Act ("PEMHCA"). The following persons are eligible to participate in the Town's medical and hospital insurance for themselves and all eligible dependents in accordance with the terms of the medical and hospital insurance policy or policies provided under PEMHCA: regular employees, probationary employees, elected officials, and Annuitants.

(b) Except where an agreement with a Recognized Employee Organization provides otherwise, the Town shall contribute, for each eligible person, the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan. An eligible person who has applied for Annuitant status shall continue to be eligible to receive paid medical and hospital insurance for 120 days after separation from employment from the Town provided that such person is diligently pursuing his or her retirement application.

(c) An eligible employee who provides the Town with proof of other medical and hospital insurance may receive \$250 per month in lieu of medical and hospital insurance.

(d) An elected official who provides the Town with proof of other medical and hospital insurance may elect to have \$250 per month contributed toward deferred compensation in lieu of medical and hospital insurance.

[Reference: GOV'T CODE §§ 22750-22755, 22800-22826]

3.05.040 Dental Insurance

(a) The following persons are eligible to participate in the Town's dental insurance plan for themselves and all eligible dependents in accordance with the terms of the dental insurance policy or policies provided by the Town: regular employees, probationary employees, elected officials and Annuitants.

(b) Notwithstanding the above, see section 3.05.010(f)(2) for retired elected officials.

(c) The Town shall contribute, for each eligible person, the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan. An eligible person who has applied for Annuitant status shall continue to be eligible to

receive paid dental insurance for 120 days after separation from employment from the Town provided that such person is diligently pursuing his or her retirement application.

3.05.050 Vision Plan

(a) The following persons are eligible to participate in the Town's vision plan for themselves and all eligible dependents in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and elected officials.

(b) The Town shall contribute, for each eligible person the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan.

3.05.060 COBRA

Under the Consolidated Omnibus Reconciliation Act of 1985 (COBRA), the Town offers terminated employees and qualified dependents the option to continue group health plan coverage on a self-pay basis at group rates that would otherwise have been lost due to circumstances such as divorce or termination of employment.

[Reference: Public Law 99-272]

3.05.070 Life Insurance

(a) The following persons are eligible to participate in the Town's life insurance plan in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and elected officials.

(b) The Town shall contribute, for each eligible person, the amount necessary to provide a \$50,000 life insurance policy. Benefits are reduced for covered participants at the age of 72.

3.05.080 Employee Assistance Program

(a) The Employee Assistance Program is a confidential way of obtaining professional help to reduce the impact of life and job problems for employees and their eligible dependents. The following persons are eligible to participate in the Town's Employee Assistance Program for themselves and all eligible dependents in accordance with the terms of the plan provided by the Town: regular employees, probationary employees and elected officials.

(b) The Town shall contribute, for each eligible person the amount necessary to pay the cost of his or her enrollment, including the enrollment of eligible dependents in the member's plan.

3.05.090 Long Term Care Program

(a) The Town participates in a Long Term Care Program sponsored by CalPERS. Any person eligible under the CalPERS plan may participate in the program.

(b) Contributions to this program are financed solely by eligible participants through payroll deductions.

3.05.100 Health Club

(a) All regular employees, probationary employees and elected officials who attend a health club at least four times a month are eligible to receive an annual reimbursement to offset the cost of an individual health club membership.

(b) The amount of the annual reimbursement is the employee's monthly dues up to a maximum of \$47 or the amount specified in a represented employee's Memorandum of Understanding.

(c) Reimbursement of health club dues is subject to federal and state income and payroll taxes. Participants are responsible for paying all applicable taxes.

3.05.110 Credit Union

(a) All employees, elected officials and their dependents are eligible to participate in the San Mateo County Employees Credit Union.

(b) All contributions are financed 100% by the employee.

3.05.120 Deferred Compensation

(a) The Town provides an option to any regular employee and elected official to invest a portion of his or her present earnings in a deferred compensation plan on a pre-tax basis.

(b) Except as provided in the next paragraph, contributions to the program are financed solely by the participant, either through direct deposit or payroll deduction.

(c) For any regular, unrepresented employee and elected official who participates in the Town of Colma's deferred compensation plan, the Town shall pay a sum equal to the amount withheld from salary by the participant and contributed to that participant's deferred compensation plan in an amount not to exceed one hundred dollars (\$100.00) per month. If the additional sum conferred by this benefit causes the participant's contribution to exceed the maximum amount allowed under federal law as deferred compensation, then such sum shall be reported as taxable income of the participant.

[Reference: *See*, Cal.Atty.Gen.Op. 2005-910]

3.05.130 Retirement Plan

(a) Retirement benefits are provided to eligible employees under the California Public Employees Retirement Law.

(1) A Local Safety Member of CalPERS is provided retirement benefits under the Modified 3% @ 50 Plan.

- (2) A Local Miscellaneous Member of CalPERS is provided retirement benefits under the Modified 2.5% @ 55 Plan.
- (b) The Town shall contribute for each eligible employee and elected official, the amount of the employer's contribution required by CalPERS. Each eligible employee shall contribute, by payroll deduction, the amount of the employee contribution required by CalPERS.
 - (1) Notwithstanding the foregoing, the Town shall contribute for each eligible elected official the contributions required of the employer and the member.
 - (2) Employer and member contributions to the plan are mandatory.
 - (3) Member contributions are paid pre-tax as prescribed by Internal Revenue Code section 414(h)(2).
- (c) CalPERS administers the retirement plan and governs the distribution of funds upon member separation or retirement as prescribed by law.

3.05.140 Social Security

- (a) All employees and elected officials are included as participants in the Social Security System (FICA) and Medicare.
- (b) Financing of the program is accomplished by contributions paid by the employee and the Town according to federal guidelines, except that the Town pays both the employer and member contributions for elected officials.

3.05.150 State Unemployment Insurance Benefits

- (a) All employees are eligible for unemployment insurance benefits, if they meet the statutory requirements for such benefits.
- (b) Elected officials are not eligible for unemployment insurance benefits under the Town's program.
- (c) The program is financed completely by the Town.

3.05.160 State Disability Insurance (SDI)

- (a) All employees are eligible for SDI, if they meet statutory requirements for benefits.
- (b) Elected officials are not eligible for SDI under the Town's program.
- (c) The program is financed completely by employees at a rate determined by the State and collected through payroll deductions.
- (d) Any benefits received under this insurance must be coordinated with any sick leave payments and workers' compensation benefits.

3.05.170 Workers' Compensation

(a) All employees and elected officials are covered by the Town's workers' compensation insurance, a program of industrial insurance to protect workers, their families and dependents from loss due to an industrial accident or illness. Any person who performs voluntary service without pay for the Town of Colma shall be deemed to be an employee of the Town for workers' compensation purposes only, provided that the volunteer services are authorized by the City Manager.

(b) Financing for this program is paid by the Town.

(c) Any employee involved in an industrial injury or an occupational illness, as defined by the State Workers' Compensation Law, must follow procedures set up by the law to receive benefits.

(d) Any benefits received under this insurance must be coordinated with any sick leave payments and disability insurance benefits.

[Reference: LABOR CODE § 3363.5]

3.05.180 Reimbursement for Education Expenses

(a) All regular and probationary promoted employees are eligible to participate in the Town's Education Reimbursement Program.

(b) The Town will reimburse eligible employees the cost of his or her job related education expenses incurred in a calendar year to a maximum of \$1,000, if all of the following conditions are met:

- (1) Courses must be offered by accredited colleges, universities or vocational training institutes and must be approved in advance by the City Manager;
- (2) Certification of satisfactory completion or a grade of C (2.0 grade point) or better is required to receive reimbursement; and
- (3) Reimbursement shall be allowed for tuition, registration fees, required text books, laboratory fees and other material costs submitted within 90 days of completion.